

**Cape Breton University  
Board of Governors  
Public Meeting**

**Friday, October 28, 2016  
Following Prologue  
CE-339**

**1 – 5 Opening Information/Discussion**

**1. Roll Call**

Mr. Ambrose White (Chair), Mr. Roland Thornhill (Vice Chair), Dr. David Wheeler (President), Mr. Gordon MacInnis (Treasurer), Dr. Dale Keefe (Secretary), Mr. Pat Bates, Ms. Carol Beaton, Ms. Eleanor Bernard, Ms. Millie Colbourne, Dr. Ed Davis, Mr. Bob Fowler, Mr. Rany Ibrahim, Dr. Stephanie Inglis, Mr. Roy Karam, Mr. Terry Kelly, Mr. Clayton Locke, Mr. Brandon MacDonald, Mr. Keith MacDonald, Dr. Andrew Molloy, Mr. Darryl Poirier, Mr. Robert Sampson, Mr. Michael Sandalis, Mr. Matt Shallo, Mr. Mark Shannon, Ms. Wendy Wadden, Mr. Howard Windsor

**Regrets:**

Mr. Taylor Burton, Ms. Carmelita Chechetto-Shea, Dr. Ann Francis D'Intino, Ms. Daphne Hutt-MacLeod, Mr. Brian LeBlanc, Ms. Carol Ripley, Mr. Steve Wadden

**Absent:**

Mr. Darren Desmond

The Chair declared quorum and called the meeting to order and welcomed new member, Dr. Stephanie Inglis.

**2 Minutes**

**2.1 - It was moved** by Ms. Wadden, seconded by Mr. MacDonald, to approve the Public Meeting minutes of July 8, 2016. **Motion carried.**

**3 Business Arising – N/A**

**4 CEO/CAO**

**4.1 Report of the President**

President Wheeler referred to his circulated report drawing attention to tomorrow's Convocation taking place at the Membertou Trade and Convention Centre where over 270 students will receive degrees, diplomas and certificates. During the ceremony, the late Charlie Dennis, Dr. Paulette Tremblay, and the Honourable Frank Iacobucci, will be awarded honorary doctorates. Convocation ceremonies also took place in Kuwait (September 28th) and Cairo (October 17th). He then welcomed any comments or questions.

#### **4.2 Report of Senate**

Ms. Wadden highlighted the following from the September and October meetings of Senate:

- Various new courses were presented and approved.
- A new Senate Executive has been established and Dr. Inglis was appointed as the second Board appointment.
- The Fall graduand list was presented and approved.

#### **4.3 Special Announcements, Questions – N/A**

### **5 Treasurer's Report**

#### **5.2 Financial Statements**

Mr. MacInnis referred to the Financial Statements circulated with the meeting package and the following key items were highlighted and discussed:

- The cash position remains relatively strong but is expected to be negatively impacted throughout 2016/17.
- The student receivable balance has decreased due to decreased enrolment of Saudi Scholarship Program students and a slight growth in amounts owing from the balance of CBU students.
- Various current liabilities, in particular, those related to VRIP commitments.
- The receivable from the Province of Nova Scotia for the 2015/16 Nursing Program Subsidy was received after the circulation of the report.
- LearnCorp is maintaining its own records and relying less upon CBU for cash flow needs.
- Two main categories in deferred revenue; tuition revenues and ECBD support of the Verschuren Centre operations.
- The book value of investments held by CBU for endowment purposes totals \$28.1 million as of September 30, 2016 (market value of \$32.8 million).
- MBA revenues are expected to exceed budget for 2016/17 which may off set the projected enrolment decline in other areas.
- To date, expenditures are tracking as budgeted.
- An agreement has been submitted to the CBRM whereby they will ensure integrity of the Canada Games Complex ice plant in the event that the CBRM Recreational Facility Master Plan calls for re-introduction of the Canada Games Complex ice surface as a CBRM-operated facility.
- Discussions continue with ICEAP with regards to the residences and the residence operations are reporting improvements in occupancy rates.
- Parking operations are reporting positively with the installation of the new park and pay system.

On the question of the receivable from Follett, Mr. MacInnis replied this item is related to the salary of one employee.

### **6 Committee Reports**

#### **6.1 Executive Committee**

Chair, Mr. Ambrose White, reported that the Executive Committee met on October 27<sup>th</sup> and that all items discussed have been, or will be, covered on the Prologue or Public agendas.

## 6.2 Investment Committee

Chair, Mr. Kelly, reported that the committee met on October 27<sup>th</sup> to review the annual report of the Canadian University Endowment Funds; CBU ranked 51 on this report. The September Investment Report was reviewed and shows investments to be reasonable and in line. The committee also reviewed responses to an RFP and of the six responses received; it was recommended and approved that Eckler be retained.

## 7 Items Requiring Action \ Decision

### 7.1 CBU Financial Plan

Mr. MacInnis referred to the CBU Financial Plan memo circulated with the meeting material, reminding members it would have been included in with the documents for the Special September meeting. He noted that the Operational Plan approved during that meeting was based on a number of assumptions while ensuring the financial health of CBU is managed within the Board's tolerance levels for an accumulated deficit.

**It was moved** by Mr. MacInnis, seconded by Mr. MacDonald, in keeping with the Operational Plan approved during the September 19<sup>th</sup> meeting, that the following recommendations be approved with respect to the financial planning and to approve the proposed 2016/17 deficit budget reflecting \$48,939,558 in gross expenditures and \$47,631,496 in revenue projections:

- Adopt a three-year planning window (ending 2018/19) for purposes of developing the Financial Plan
- Identify a maximum balance of \$3.5 million for the accumulated operating deficit throughout the planning window of the Financial Plan with a goal of retiring the accumulated deficit by 2024/25
- Contingent investments to be considered for removal from annual budgets if circumstances warrant (actual results differ from projections, Operational Plan savings not materializing)
- Remaining requirement to consider 2016/17 Operating Budget

In response to comments for clarity, Mr. MacInnis replied that the maximum deficit balance would not exceed a three-year, \$3.5 million accumulated operating deficit.

**Motion carried.**

On the question of the pre-budget report approved by Senate in March which included recommendations for mental health support for students, Mr. MacInnis replied that an allotment for Student Services is included in the budget and, although a particular line is not included for this item, he suggested Mr. Karam follow up with Student Services.

## 8 New Business – N/A

## 9 Presentations

### 9.1 CBU Global – President Wheeler

In a PowerPoint presentation, President Wheeler addressed ways to build new opportunities and initiatives. He further added that these opportunities will change the view of CBU and how programs could be offered. He was excited to share the possibility of CBU programming being offered at a new university in the new district in Egypt. Although this capital is not currently under development, it is believed that this new city will be the next capital city of Egypt and the institution will be ready for student intake in the fall of 2018.

He then described the efforts to bring UK masters level programming in summer school format to CBU commencing 2017/2018:

- Potentially 12 masters programs established by 2018 – cost and profit sharing
- CBU to promote MBA CED and Med SCI commencing 2017
- Development of marketing plans underway
- MOU expected from Jan 2017 onwards

In reply to what cost impact the Egypt initiative would have on CBU, President Wheeler replied the cost would be separate and would be according to the program or activity. He also replied that English will be the language taught in the institution and 50% of the faculty will be recruited from Canada and that CBU faculty will be included in this recruitment. He further replied that the arts and social sciences faculties would benefit greatly from the opportunity.

In response to how the unstable political environment and the current value of Egyptian currency would be mitigated, President Wheeler responded this would not be of concern because the only investment being made by CBU is the support of the program and professoriate.

### 9.2 CBU Digital Presentation – Dr. Tanya Brann-Barrett

Dr. Brann-Barrett described her presentation as a way to establish CBU's position as an institution of excellence in teaching and learning world-wide. These efforts would be realized by:

- Increasing CBU's annual student enrolment (and equivalent).
- Developing relationships with people world-wide who may not otherwise have been introduced to CBU-people who could potentially choose to engage in further study at CBU.
- Serving CBU's mandate to Cape Breton Island by providing all citizens with the opportunity to learn in their communities in ways meaningful to them.

She described the many ways CBU has been incorporating an on-line system of new technologies, pedagogical practices and open-access elements for local and global participants.

### 9.3 CBU Fundraising Presentation – Ms. Paula MacNeil & Mr. Floyd Dykeman

Responding to comments and questions as they arose, Ms. MacNeil, with the assistance from Mr. Dykeman, provided members with an overview of the fundraising campaigns from 2005 in a PowerPoint presentation. She noted that the 2015 Annual Report on Canadian University Endowments ranks CBU second for annualized growth. She provided benchmark information of the department size at CBU in comparison to several Atlantic Canadian universities. The accepted fundraising best practice has a target of a \$0.20 cost to raise a dollar (CTRD) standard and CBU's CTRD is \$0.08. Ms. MacNeil then detailed an ambitious campaign they will be working on and steps on how they will make this happen.

**10 Open Session – N/A**

**11 Date of Next Meeting**

The next meeting will be on Friday, December 9, 2016.

**12 Adjournment**

**It was moved** by Mr. MacDonald to adjourn the meeting at 1:00 pm.

  
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Dr. Dale Keefe, Secretary to the Board